

Allied Drive Redevelopment, LLC Segregation of Duties Memo

This memo is to address the changes made to the Segregation of Duties section of Exhibit B: Internal Control Communication of the communication received from SVA.

Cash Receipts: The receptionist opens the mail and collects the tenant receipts in the office. Many of the tenants at Allied Drive drop off their payments at the on-site office. The On-Site Manager brings them to the corporate office. Tenant receipts are given to the Accounting Assistant who enters them into the accounting software. The Accounting Assistant prepares the deposit slips and gives them to the Controller. The Controller reviews the deposits and takes the deposits to the bank. The On-Site Manager reviews the listing of tenant balances, including prepaid rents

Cash Disbursements: The signature stamps of the President and Vice-President are kept with the Director of Operations. Once checks are printed by the Controller, they are given to the Director of Operations to review and stamp. They are then given to the Accounting Assistant for mailing.

Bank Reconciliations: The Accounting Assistant prepares the bank reconciliations. The Controller reviews and approves them.